## PILOT LOCAL GOVERNMENT PARTNERSHIP PROGRAM

# ECONOMIC DEVELOPMENT IMPLEMENTATION OPTIONS FOR GLIWICE, POLAND

Prepared for



Prepared by

Pat Dusenbury

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THE URBAN INSTITUTE

2100 M Street, NW Washington, DC 20037 (202) 833-7200 www.urban.org

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#### INTRODUCTION

The Pilot Local Government Partnership Program (LGPP) economic development component goal is to help partner cities develop their capacity to develop and implement an economic strategy. This is to be achieved through technical assistance to help the partner city do the following:

- Develop an economic strategy
- Identify a lead agency for overall strategy implementation
- Build a partnership between the public and the private sector to implement priority projects

Gliwice has a strategy document, the Local Leadership Committee (LLC) Report, that is supported by the local government. Thus, the Pilot LGPP economic development efforts are focused on helping Gliwice move from this strategy statement to project implementation by confirming the lead agency and encouraging the development of a public-private partnership for economic development.

The LLC selected the promotion of high technology as an economic strategy. Gliwice has selected a technology transfer as its priority and specified a three-stage project: development of a high technology incubator, development of a technology transfer center, and finally development of a technology park. Complete implementation of these projects will extend well past the end of the Pilot LGPP. Gliwice also has requested specific technical assistance in the areas of incubator management and in the transformation of the Gliwice Agency for Economic Initiatives from a city agency into a regional development agency.

#### PRIORITY PROJECT IMPLEMENTATION

The Pilot LGPP economic development component can help the local development agency implement its high technology strategy through a three-stage process. Recommended activities include workshops, preparation of background papers, and one-on-one consultation. The three aspects of the economic development activity are intertwined and should be viewed as related parts of the high technology strategy. The following outlines recommended activities to move these projects forward during the remainder of the Pilot LGPP. The activities can be concurrent.

### Technology Park Planning Process

The recommended first step in the implementation of the technology park project is a participatory process for representatives of involved and target institutions to come to consensus on the definitions of high technology incubator, technology transfer, and technology park. Once that is achieved, the potential partners can better define their overall project expectations and resources. Participants should also be asked to describe first their expectations for the projects; and second how they will contribute to the success of those projects. W. Napierala has begun this process and commissioned a background paper from Silesian Technical University faculty.

The Pilot LGPP could assist by convening a workshop to provide participants with information about technology transfer and technology parks. Knowledge about the U.S. and Polish experience in this area would help Gliwice make strategic, information-based decisions about project implementation. Once that has been achieved, work can begin on a pre-feasibility study. This can be approached through a facilitated session supported by background information, following the model used in Kutno for an industrial park.

The following outlines a work program for moving this project through the pre-feasibility study. The work could be done by a combination of LGPP consultants—ex-pat and Polish—plus GAIG staff.

- Scan national environment: identify national technology initiatives to ensure the local initiative is compatible and targeted to appropriate niche(s)
  - Gdansk
  - Krakow
  - Poznan
  - Other?
- Identify resources to support: (1) high tech; (2) entrepreneurs
  - Incubator building
  - University labs and equipment
  - University faculty consultants
  - Other consultants
  - Loan programs/capital availability
  - Human resource programs—vocational education and other worker training, entrepreneurship, management and technical assistance programs
  - Strategic alliances between local government, business support programs, the University, the research institutes and other private sector entities

- Identify financial resources (Note: Gliwice already owns the land)
  - Local governments—(GFAM)
  - Silesian Technical University
  - National Programs
  - International Programs
  - Private Sector
- Evaluate market and potential tenants for Technology Park
  - Survey of available space being conducted by GAIG
  - Experience of recruiting for incubator
  - Inquiries coming to Business Information Center
  - Survey of research institutes; incubator graduates
- Develop an initial business plan and pre-feasibility study

#### Incubator Management

Concurrent with the planning work for a technology park, Pilot LGPP consultants can provide technical assistance in incubator management. The following illustrates factors for consideration and potential objectives.

- Incubator goal: complete implementation; begin operation
  - Identify target markets; for example, start-ups by faculty and recent graduates, laid-off workers; home-based businesses; small, new firms
  - Design and implement tenant recruitment strategy
  - Finalize management practices and leasing policies
  - Make projections of occupancy and rent
  - Identify direct services and fees for services
  - Identify indirect services and referral fees
  - Project fee revenues
  - Project operating costs

#### Partnership for Technology Transfer

The technology transfer center is seen as the interim step between incubator and technology park. The experience and knowledge gained from the first stage will guide implementation of the second stage; experience and knowledge gained from the first and second stages will guide implementation of the third stage. A technology transfer center can be as minimal as an individual promoting cooperation or as complex as joint laboratory facilities. An organized program promoting technology transfer can start small and build. The following outlines potential activities.

- Technology Transfer Center goal: Begin implementation
  - Build partnership between high tech incubator and Silesian Polytechnic University—link to university facilities and faculty
  - Establish partnerships between incubator agency and local research institutions
  - Select target technology area(s)
  - Gliwice is a technology transfer center: identify and publicize partners' relevant research capacities; for example, promote services of Job Assistance Center (applied social science), produce a directory of research capacities, use display space in incubator, consider holding a technology fair.
  - Establish information sharing relationships with other technology transfer programs—internationally

#### SUGGESTED SCHEDULE

At the May meeting, currently being planned by W. Napierala, begin to establish consensus among partners on definitions of (1) technology transfer center; (2) technology park; and (3) the target areas of technology. After that meeting, expand the list of stakeholders and hold a facilitated workshop to present the concept, build support for it, and adopt an agenda for development of an action plan, an initial business plan, and a feasibility study.

During the latter part of the summer, hold an additional workshop, perhaps with representatives from an expanded list of stakeholders plus representatives of small high tech businesses, to present additional information and the results of planning work. Once again, participants can be asked to lay out a work program and assign tasks.

This is a complex project and will involve several workshops to build the partnership and complete the planning phase. The Pilot LGPP staff can participate directly in some; indirectly in others by providing information. At some point, a U.S. expert on technology transfer centers could be brought in to contribute to plan development and to provide additional consulting services.

The technical assistance with incubator management and agency administration/ transformation can proceed concurrently with planning work for the technology park.

Gliwice would like to have a business plan/feasibility study completed within the duration of the Pilot LGPP. This is an ambitious but reasonable goal. The final visit of Pilot LGPP consultants in September would be to consult with project implementors about progress and wrap up the Pilot LGPP in Gliwice. The

incubator is scheduled for its official opening in September, and perhaps the two events can be scheduled to coincide.